

FISCAL NOTE

HB 701 - SB 1060

April 2, 1997

SUMMARY OF BILL: Requires health insurers and managed care organizations to provide coverage for services provided by pharmacists to patients in outpatient self-management training and education, including medical nutrition therapy.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$100,000

**Other Fiscal Impact - Increase Expenditures/Health Insurance Industry
Exceeds \$100,000¹**

Assumes that this mandates coverage of services not currently reimbursed by existing plans. Coverage of such services is estimated to result in higher capitation rates paid to managed care organizations in the TennCare Program.

This bill would not directly impact the state employee health insurance plan or most local government health insurance plans, since self-insured plans are exempted by from state regulation by federal law (ERISA).

¹ *The impact on the health care industry is included as required by Chapter 244 of the Public Acts of 1989.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director